

FISCAL NOTE

HB 2322 - SB 2566

February 5, 2000

SUMMARY OF BILL: Prohibits counties and municipalities from contracting to acquire goods or services unless the person contracting to supply the goods or services has registered with the Department of Revenue to collect and remit sales and use taxes. Provides that no funds raised through fees can be used to acquire good or services unless the person contracting to provide such goods and services is registered with the Department of Revenue to collect and remit sales and use taxes. Authorizes the Commissioner of Revenue to provide tax information to the appropriate state or local officials to ensure contractors are registered to collect and remit sales and use taxes.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Less Than \$100,000

Increase Local Govt. Revenues - Less than \$100,000

Estimate assumes the requirements of this legislation will result in more contractors and their affiliates being registered with the Department of Revenue to collect and remit sales and use taxes. As government entities are exempt from sale and use taxes, there would be no additional revenues generated from their purchases but there could be additional revenues from new registrants' sales to non-exempt entities. The potential increases in state and local government revenues are estimated to be less than \$100,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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